

FISCAL IMPACT STATEMENT ON BILL NO. **S.1110**

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TO:	The Honorable Hugh Leatherman, Chairman, Senate Finance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Allan Kincaid and Harry Bell		
DATE:	February 22, 2006	SBD:	2006103

AUTHOR:	Senator Hayes	PRIMARY CODE CITE:	44-9-130
SUBJECT:	Use of Proceeds from Sale of State Hospital Property		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

BILL SUMMARY:

Senate Bill 1110 amends the Code of Laws of South Carolina, 1976, by adding Section 44-9-130 so as to provide that South Carolina State Hospital property owned or held by the Department of Mental Health (DMH) that is not in use may be sold or leased, to create a special trust fund for the deposit of proceeds from the sale or lease of such property. The Bill further provides that these funds must be used to replace adult long-term hospitalization services and forensic services and prohibits the department from using these funds to supplant its current level of appropriated funding.

EXPLANATION OF IMPACT:

Enactment of this Bill would have no impact on State General Fund or federal expenditures. The Bill prohibits DMH from supplanting its current level of funding with proceeds for the sale or lease of the property. DMH other funds expenditures would increase based on revenue generated and budgeted.

The State Hospital property is on approximately 185.6 acres of land and contains 53 buildings. At this time there is no current appraised value for the property. Therefore, the amount that may be generated and deposited into the special trust fund (to be used for adult long-term hospitalization services and forensic services) is unknown.

SPECIAL NOTES:

The Bill does not contain language allowing the proceeds from the sale or lease of this property to be used for building construction or other capital improvements.

Approved by:



Don Addy
Assistant Director, Office of State Budget